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April 24, 2000

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APR 27 2000

FCC MAIL ROOM

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TW-B-204
Washington, D.C. 20554

00-65
Re: Comment to CC Docket No. ~~00-4~~, Application by SBC Communications, Inc., et al for Provision of In-Region, InterLATA Services in Texas

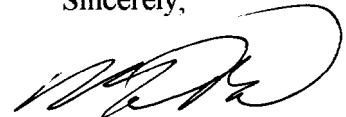
Dear Ms. Salas:

Enclosed for filing in the above referenced CC docket, please find the following:

- (1) An original and two copies of the entire confidential submission of Southwestern Tel-Com, Inc in redacted form;
- (2) The redacted filing on a read-only CD-ROM formatted in Word 97.

Thank you for your attention to this submission.

Sincerely,



Michael Black

No. of Copies rec'd 0+3
List ABCDE

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of

Application by SBC Communications Inc.,
Southwestern Bell Telephone Company, and
Southwestern Bell Communications Services,
Inc. d/b/a Southwestern Bell Long Distance
for Provision of In-Region, InterLATA
Services in Texas

CC Docket No. 00-# 65

COMMENTS OF PRIVATE PAYPHONE PROVIDERS
TO APPLICATION OF SOUTHWESTERN BELL
FOR PROVISION OF IN-REGION, INTERLATA SERVICES
IN TEXAS

TO THE HONORABLE FEDERAL COMMUNICATIONS COMMISSION:

COME NOW Southwestern Tel-Com, Inc., Blackland Communications, Inc.,
Langkop Communications, Stefek Enterprises, and The Vending Equipment
Network (hereinafter, "Private Payphone Providers") and respectfully submit these
comments concerning the Application by SBC Communications, Inc., Southwestern
Bell Telephone Company, and Southwestern Bell Communications Services, Inc.
d/b/a Southwestern Bell Long Distance for Provision of In-Region, InterLATA
Services in Texas, and would show the Commission as follows:

I.

Databases and Associated Signaling

A. Southwestern Bell Telephone Company (hereinafter, "SWB") does not
offer nondiscriminatory access to databases and associated signaling necessary for
call routing and completion. Specifically, Southwestern Bell does not offer or

provide the same signaling necessary for call routing and completion of calls made from the coin-operated phones of SWB's competitors in the private payphone industry as it does for its own payphone division. A Sit Tone (Three Tone Herald) is required to signal the computer board within the payphone to refund coins when a call has not been completed. Private payphone providers have consistently experienced problems when a customer receives an "Interrupt Message", such as (1) I am sorry, all circuits are busy; (2) The number you dialed is no longer in service; (3) For an additional fee you may leave a message for your party; (4) etc., and SWB's signaling link does not provide the Sit Tone. The customer's call is erroneously treated as a completed call, and thus the coins are not returned. This problem does not exist for SWB's payphones.

B. When various members of the Texas Payphone Association (a nonprofit corporation which represents the interests of owners and operators of private payphones) approached SWB about this problem, SWB responded that they were no longer providing Sit Tones. This is clear discrimination because Southwestern Bell has the ability to provide the Sit Tones. Instead, SWB claims they have replaced the Sit Tones with "Answer Supervision". Private Payphone Providers have had to pay extra for this Answer Supervision, even though we are already paying for a CO-COT line, and the Answer Supervision has not successfully allowed for the refund of coins when a call is not completed, but instead has received one of the Interrupt Messages received above. (See Affidavit of Randall J. Vidal, attached.) This results in the loss of business and property damage for the private payphone company because the customer is left to think that the problem was created by the private payphone owner. Many private payphones have been vandalized by angry customers when they were charged for incomplete calls.

C. Although this problem has been reported to SWB, as of March 16, 2000,

the problem had not been remedied. (See letter attached to Affidavit of Randal J. Vidal.)

II.

Unbundled Network Elements

D. SWB does not provide local switching or signaling networks and call-related databases on a nondiscriminatory basis pursuant to section 251(c)(3). While calls made from SWB payphones are switched to a separate trunk which properly handles the call as a call from a CO-COT line, calls from SWB's competitors in the private payphone business are switched to a platform which identifies the call as a call from a standard business line. This has resulted in a significant amount of lost income for the private payphone providers because their phones are not identified as payphones for the purpose of dial-around compensation from various Operator Service Providers and 1-800 long distance providers, and because the switch to a regular business line, allows undesirable vertical features to be activated on the payphone line.

E. SWB routes the private payphone calls through a platform which results in the phone incorrectly reporting the Flex ANI, which is used by long distance companies to determine the amount of dial around compensation that is due to the owners of payphones, for calls made from such phones using a 1-800 number which allows the call to dial-around the Operator Service Provider chosen by the payphone owner and route the call to another long distance provider. The incorrect reporting of the Flex ANI identifies the line as a standard business line which is not entitled to dial-around compensation. This misidentification costs the private payphone providers thousands of dollars per quarter in lost dial around compensation. (See the Affidavit of Randal Vidal, attached hereto.) SWB announced at a recent TPA meeting that SWB doesn't experience this problem because their calls are switched

at the tandem to a separate platform, and that a similar platform is available to private payphone providers for "an additional charge". Private payphone providers are already paying for CO-COT lines and are entitled to the same service as SWB receives without an additional charge.

F. The routing of the private payphone call to a platform for standard business line calls has also resulted in the automatic application of undesirable vertical features, such as 3-way calling, message delivery, and repeat dial. Three way calling allows a payphone customer to receive a second dial tone and place a second call from a payphone without depositing additional money. If the customer places a long distance call, the private payphone provider is billed for the call by the LEC or CLEC, and yet has no way to collect for the call from the customer. Message Delivery allows the payphone customer to leave a message when they reach a busy line or when the party being called doesn't answer, and the LEC or CLEC charges the private payphone owner 75 cents for this service although no money is collected from the payphone customer. Repeat Dial allows a payphone customer to automatically redial a busy number and rings back to the payphone when the line becomes free. Thus, the call is completed without charge to the payphone customer, once again resulting in lost revenue for the payphone owner.

G. SWB has acknowledged the problem (see letter attached to Affidavit of Randal J. Vidal, but has failed to correct it. Their response is that these problems do not effect SWB payphones, which are switched through a separate platform or the "Smart Coin Line" offered by SWB for an additional fee because the vertical features were not added to these platforms, but they were added to all residential and business line platforms without a method for discriminating a CO-COT call from a non CO-COT call.

Southwestern Bell does not meet the requirement to provide just, reasonable and nondiscriminatory service to its private payphone competitors, and therefore their Application for Provision of In-Region, InterLATA Services in Texas should be DENIED.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Black', with a large, sweeping loop at the end.

Michael Black
Blackland Communications, Inc.

**AFFIDAVIT OF RANDAL J. VIDAL
IN SUPPORT OF COMMENTS
SOUTHWESTERN TEL. CO., INC.
TO SWB'S SECTION 271 APPLICATION**

Before me, the undersigned notary, personally appeared Randal J. Vidal, known to me to be the person whose name is subscribed below, and after first having been duly sworn by me, deposed and stated as follows:

“My name is Randal J. Vidal. I am over the age of eighteen years, have never been convicted of a felony, and am in all ways qualified to make this affidavit. Further, I have personal knowledge of the facts stated herein.

“I am the President of Southwestern Tel-Com, Inc. (hereinafter, “S.W.T.C.I.”), a private payphone company doing business in Texas. My office address is 5514-6 Walzem Road PMB #407, San Antonio, Texas 78218-2156. S.W.T.C.I. has been in the private payphone business since 1986 and owns approximately 325 payphones located in San Antonio, Texas.

“In March, 2000, a technical supervisor of operations for S.W.T.C.I. discovered that Southwestern Bell had added certain vertical features to our payphones without our knowledge or consent. These vertical features included three-way calling, call return, and call waiting. A repair request was made through our CLEC, QWEST, and Southwestern Bell allegedly made repairs. After the repairs were supposedly completed, we discovered that the lines connecting to our phones had been left disconnected. We reconnected the lines and tested them only to discover that the same vertical features had been added to our lines.

“As shown by the letter I received from Southwestern Bell, a true and correct copy of which is attached hereto as Exhibit “A” and incorporated herein by reference, Southwestern Bell acknowledges that the problem and admits that the problem exists for standard CO-COT lines

owned by companies other than Southwestern Bell. Only by paying an additional charge for a "SmartCoin Line", can a private payphone provider be assured that the unwanted features will not be added to its CO-COT lines. Nevertheless, a Southwestern Bell representative announced at a recent meeting of the Texas Payphone Association that Southwestern Bell's payphones do not have this problem because they are switched to a different platform at the tandem.

"A related issue involves the incorrect reporting of Flex ANI's from private payphones. Because Southwestern Bell switches calls from its competitors' payphones to a standard business line, in many instances calls made from those lines are not properly identified as a payphone call entitled to Dial-around compensation from long distance and 1-800 companies. As a result of the misidentification of 325 of my lines as standard business lines, my dial around compensation for the 1st., 2nd., 3rd., 4th. quarters of 1998 and 1st., 2nd. quarters of 1999, was over ONE HUNDRED THOUSAND DOLLARS less than I would have received had the Flex ANI's been properly reported.

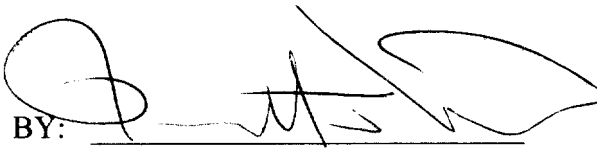
"After I brought the errors to Qwest and Southwestern Bell's attention, they corrected the problem on a line-by-line problem, only for the lines which I discovered were reporting incorrectly. On-going testing of CO-COT lines reveals that the problem has still not been fixed for all private payphone lines. With the correct Flex-ANI reporting, my dial-around compensation for the 3rd.

quarter of 1999 increased to \$ 19,300.00 dollars and 4th. quarter to \$ 21,742.00 dollars.

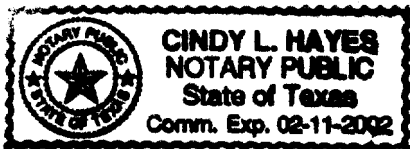
Southwestern Bell has not reimbursed me for the lost dial around compensation caused by their incorrect signaling network.”

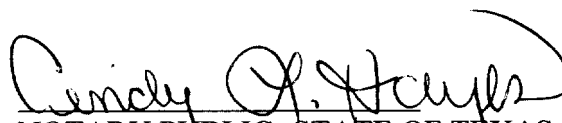
Further, Affiant sayeth not.

Southwestern Tel. Com, Inc.
5514-6 Walzem Rd. PMB #407
San Antonio, Texas 78218-2156
(210)590-2022
Facsimile: (210)590-2021

BY: 
Randal J. Vidal,
President

SUBSCRIBED AND SWORN TO BEFORE ME the 24 day of April, 2000.




NOTARY PUBLIC -STATE OF TEXAS
Printed Name: Cindy L. Hayes
My Commission Expires: 2-11-2002

March 16, 2000

Ms. Betty Suthard
Office of Customer Protection
Public Utility Commission of Texas
1701 North Congress Avenue, 7-170
Austin, Texas 78701

Dear Ms. Suthard:

This information is in response to the complaint filed by Mr. Randal Vidal on behalf of Southwestern Tel. Com., Inc. regarding payphone services provided by Qwest Communications.

After reviewing the facts associated with Mr. Vidal's complaint on behalf of Southwestern Tel. Com., Inc., we have determined there are situations where the inadvertent provision of usage-sensitive features on certain payphone access lines have caused operating problems. The usage-sensitive features are three way calling, call return, auto redial, and universal call trace.

Not all payphone lines were affected. Southwestern Bell's (SWB) investigation discovered that in an attempt to protect payphone lines from being equipped with the usage-sensitive features when the features were deployed, "coin" lines were identified as needing to be excluded from the provisioning. The word "coin" was interpreted in the literal sense and only included the "smart line" (SmartCoinsm) and did not necessarily exclude provisioning these capabilities on the "basic COPT" (COPTS line). The COPTS line is normally utilized by Independent Payphone Service Providers, who also may subscribe to SmartCoinsm.

SWB first got indications that some deployment errors may have occurred in October, 1999; however at that time, it was thought that the 3-way calling feature, per call activation feature was the source of the problem. SWB ran a Mechanized Order Generator (MOG) computer program modifying the central office switches to block the activation of this feature on all payphone lines and thought the problem had been resolved.

After receiving this complaint and looking further into this matter, SWB is taking further steps to ensure usage-sensitive feature activation is blocked on all payphone access lines. Shanon Perez, Account Manager, discussed these issues and SWB's plan of action to

make the necessary correction with the Texas Payphone Association (TPA) on Wednesday, March 15, 2000.

In addition to the aforementioned cause of this problem, the remedy discussed with the TPA includes the following action items:

- A second MOG, to block the other usage-sensitive features from all payphone lines will be run.
- Processes have now been put in place so that orders for new service will include blocking of these features on all payphone lines.
- SWB has issued an alert to all of its repair bureaus to instruct them how to create a trouble ticket on this issue and remove the usage-sensitive features from the line when the trouble is reported.
- SWB has and will continue to adjust their customers' bills to remove any charges for usage-sensitive features for which the payphone vendor may have been charged. SWB is open to working with payphone vendors on a case-by-case basis to discuss any additional charges which may appear on the bill that may have been caused by the activation of these features.

Additionally, in Mr. Vidal's complaint, he requests a refund and compensation for lost revenues and repairs. Southwestern Tel. Com., Inc. is not a customer of SWB. Southwestern Tel. Com., Inc. purchases payphone access lines from Qwest. Qwest is a CLEC that purchases payphone access lines from SWB. Since Southwestern Tel. Com., Inc. is a customer of Qwest rather than SWB, it would be inappropriate for SWB to discuss any requests for refunds and compensation directly with Southwestern Tel. Com., Inc. They will need to discuss this matter with their supplier, Qwest. SWB will be happy to discuss these issues with a representative of Qwest.

On March 14, 2000, SWB received an additional complaint from Southwestern Tel. Com., Inc. regarding a recorded message their customers receive when SWB Networks are busy due to peak traffic. The message is "Your call cannot be completed at this time. Please hang up and try your call again". The complaint alleges that the new recording causes the Smart Payphone to think a conversation is taking place, and collects the money. SWB is investigating this complaint and will provide a response to the PUC no later than April 3, 2000.

If you have any questions, please let me know.



Emily Steele

cc: Mr. Randal J. Vidal
Southwestern Tel. Co. Inc.
5514-6 Walzem Road PMB #407
San Antonio, Texas 78218-2156



March 16, 2000

9311 San Pedro

Suite 100

San Antonio, TX 78216

210-525-9009

210-323-3770 Fax

www.usld.com

Dear Customer:

We are writing to notify you of an issue that potentially affects all of USLD's payphone customers. It recently has come to our attention that the following enhanced casual use features may have been erroneously activated on the payphone lines of our customers: three-way calling, auto redial, and call return. According to the reports, a programming error by Southwestern Bell Telephone, Inc. ("SWBT"), the wholesale carrier from whom USLD receives its payphone lines, permitted these features to be activated on certain payphone lines when SWBT introduced updates in its switches. The casual usage features should not be accessible on payphone lines. A knowledgeable end-user could possibly use these features to by-pass the normal routing of the call and the payphone vendor may incur untraceable local and long distance charges.

USLD is in close contact with SWBT to investigate these reports and to promptly correct any programming errors identified with the SWBT/USLD lines. We strongly recommend testing be conducted on all of your payphones as soon as possible to determine if any casual usage features have been activated. If you believe your payphone lines have been affected, please refer to the testing instructions attached. In addition we advise that you carefully review your phone bills, including any direct billing you receive from other long distance carriers. This will help identify any unusually high or uncharacteristic charges.

Please call 800-782-8995 with any questions or to report any problems.

Thank you for your attention to this matter.

Attachment

Your
OneSource
For Communications

CASUAL USE FEATURE TESTING INSTRUCTIONS

Three Way Calling:

1. When at the payphone dial a local number and complete the call.
2. While on the call flash the hook switch to try and produce secondary dial tone. If secondary dial tone activates, dial a local or long distance number and wait for call to complete.

Auto Redial:

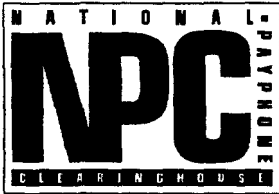
1. When at the payphone dial a number that is definitely going to reach a busy signal. (This can be done by dialing the payphone number from the same payphone to ensure the busy signal.)
2. If the feature is activated, you will hear the recording, “ That number is busy. If you would like auto redial press 3.....” (Recordings may vary.)

Call Return:

1. Have someone call the payphone, (the phone must ring at least 2-3 times) wait a couple of minutes then try *69 from the payphone.
2. If the feature is activated, you will have been able to reach the party that just called you.

If you receive any automated voice prompts that differ from above during the testing, follow the voice prompts to try and complete the feature you are testing.

Please report any payphone numbers that allow the features above to Qwest/USLD Technical Support @ 1-800-782-8995.



32752

April 3, 2000

Dear Payphone Owner,

Included with your 4Q99 Compensation, there may be a supplemental surrogate payment. As you may realize, this is the first payment rendered by MCI WorldCom based on a surrogate per-call methodology.

The Payphone Order requires Interexchange Carriers (IXCs) to track and pay on completed calls carrying payphone-specific coding digits and a unique 10 digit ANI. MCI WorldCom built its compensation system to meet this requirement and has always paid on calls with the payphone-specific coding digits (27,29,70) and also on the non-specific coding digit '07'. It was our expectation that we were appropriately capturing all potentially compensable calls.

Over the past two years we have invested considerable effort in getting Flex ANI implemented with the LECs so that we could eventually stop receiving legitimate payphone calls with the '07' coding digit. According to FCC Orders, by December 31, 1998, all LECs were to have completely provisioned Flex ANI capability to IXCs, at which point all payphones should have been transmitting '27', '29', or '70' coding digits. However, a substantial number of LECs are still not passing the required coding digits in 4Q99, well past the December 31, 1998 deadline.

During this time we became aware that some payphones were sending calls with a '00' (non-coin) coding digit. (We do not capture calls in our compensation system for those payphones) In order to meet our dial-around compensation obligation, MCI WorldCom is making this surrogate payment based on ANIs, validated by the National Payphone Clearinghouse as being owned by your company, for which MCI WorldCom had zero call counts for a quarter. This payment covers all claim quarters 4Q97 through 3Q99.

In making these payments, MCI WorldCom extends a good faith effort to compensate PSPs for legitimate payphone calls not carrying the required infodigits through no fault of the PSP. We will continue to work with the LECs to receive the appropriate coding digit so that we can track and pay on your actual calls in the future.

If you have any questions, you may contact MCI WorldCom at the following address:

MCI WorldCom
Attn: Andrew F. Harris
8521 Leesburg Pike
Vienna, VA 22182

Sincerely,
National Payphone Clearinghouse

SOUTHWESTERN TEL - COM, INC.
PMB #407 5514 WALZEM RD.
SAN ANTONIO, TX 78218 - 2156
PHONE 210-590-2022
FAX 210-590-2021

To: Randy

From: Lynn

Date: 03-29-00

Re: Unwanted features being added to phone lines.

Randy,

On March 21, 2000 a technician with our company was sent to Vickies Quik Stop for a phone that was not answering it's protocol. While trouble shooting the phone he found that our lines were crossed with other lines and reported the problem to me at which time I personally made a visit to the location and found his diagnosis to be correct. My next step of action was to report it for repair, I contacted Cris at QWEST and was told that a trouble ticket had been issued and was to be completed by 6:00 pm on the 24th of March, which just happened to be a Friday. While gathering trouble tickets on Monday the 27th I found that both of the phones at Vickies were not answering their protocol, so once again I made a trip across town and upon my arrival I could see that a "Bell" technician had been there and assigned us new pairs but had left our lines going to the phones disconnected. While testing the units after reconnecting I found that the same features that we have been having problems with (three-way calling, call return, and call waiting) had been added to our lines again !!!

As soon as this was discovered, I got on the phone and reported it first to Cris at QWEST and then to Shannon Perez at SWB in Dallas only to get the proverbial runaround. I was told by Cris that she would see what she could do but that I needed to report the problem to SWB, and when I asked for an order number she told me that they no longer issued them to venders. When Shannon returned my call all she could tell me is that the problem doesn't lie with them and that I needed to report it to my local L.E.C.

As of this morning the problem seems to have been corrected, but the question is for how long? I know you have been doing everything in your power to get this problem resolved but something more must be done to get this thing fixed permanently or we may not be able to make it much longer.

I will continue to check locations daily for these problems and will let you know the minute I find another problem. If you have any questions give me a call.



Lynn Burkhardt
Technical Supervisor / Operations
S.W.T.C.I.